

FISCAL NOTE

HB 3238 - SB 3234

March 20, 2000

SUMMARY OF BILL: Requires an appropriation from recurring revenues for any bill that increases the state share of the cost of medical assistance in the TennCare (Medicaid) Program. Such appropriation would be equal to the highest annual estimate for the next five years as reflected in the fiscal note prepared by staff of the Fiscal Review Committee. The amount shall be for operating costs exclusive of any capital costs. Appropriations are to be placed in the reserve for revenue fluctuation or to be appropriated for one-time non-recurring health related expenditures. Any law passed without such funding is null and void.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Not Significant

Other Fiscal Impact - Funding requirements in the bill may prevent additions to the TennCare Program that would have occurred in the absence of the bill resulting in a cost avoidance to the state estimated to exceed \$1,000,000 in the long term. The state may also forgo the collection of some potential federal matching revenues.

Estimate assumes any increase in state expenditures to assess the impact of these bills can be accomplished utilizing existing staff and resources.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

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